## Approved For Release 2002/10/30 OFA-RDP81B00879R001000020026-5

25X1

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9 March 1960 MEMORANDUM FOR : Deputy Director (Plans) 25X1 THEOLET : Acting Chief, DPD SUBJECT : OXCART - Additional Information Provided by Minneapolis-Honeywell of the Minneapolis-Honeywell Inertial Guidance Center telephoned the following information on 9 March, concerning 25X1 the DD/P's request for amplification of the amount noted in Section II (1) of the price history paper of bids submitted by 25X1 on 4 March. a dopy of which is attached: "In quantities of 25, as originally bid, we had included 25X1 system of engineering so that fabrication of those systems amounted per system. We assumed that delivery of 25 systems 25X1 would be delayed by two years and that we would be in the second cycle of a production learning curve at the time deliveries started. We used a factor of .725 to represent the learning curve effect (two 25X1 cycles). Dividing this out to get present prices of fabrication gives per system in quantities of 24. About design and development per system results in the 25X1 2. Though conjectured, at the 4 March meeting with the DD/P, that perhaps may have been the price paid for a 30-pound weight 25X1 reduction in the system, reported on 9 March that 25X1 no factor for reduced weight was reflected in the amount noted in 25X1 Section II (1) of attachment, i.e., the weight reduction of 30 pounds, due to the availability of a lighter computer, caused no increase in price. 25X1 will confirm the foregoing in a letter. However, hopes that the DD/P has sufficient information to render a decision in view of the pressure on Minneapolis-Honeyvell to get on with the program in order to 25X1 meet its delivery schedule. JOHN PARANGORKY Deputy Chief, Development Branch DPD-DD/P Attachment: M-H Price History dtd 3 Mar 1960 6 Copy of 6 Copies Distribution: Copy 1 == - Addressee w/att. 2 - AC/DPD w/o att. 3 - Contracts/DPD w/o att. # & 5 - CH/DB/DPD w/o att. Approved For Release 2002/10/30 : CIA-RDP81B00879R001000020026-5 25X1 

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